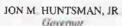


Department of Natural Resources

MICHAEL R STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R BAZA
Division Director



GARY R. HERBERT Lieutenant Governor

September 22, 2005

Mr. Mark Dotson Western Utah Copper Company 1208 South 200 West P.O. Box 492 Milford, Utah 84751

Subject: Notice of Tentative Approval to Commence Large Mining Operations,

Western Utah Copper Company, WUCC- Palladon Mine, M/001/067,

Beaver County, Utah

Dear Mr. Dotson:

The Division has completed a review of your latest response and now finds your Notice complete and have reached a tentative decision to approve the WUCC- Palladon large mining permit application. We have sent formal notice of tentative approval to the Salt Lake City and Beaver County newspapers, which will be published by September 23, 2005. A copy of this notice was also sent to you. This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Prior to issuing final approval we must receive:

- 1) two copies of the complete and consolidated plan; (which will be stamped "approved" and one copy returned to you)
- 2) a Reclamation Contract (Form MR-RC); and
- 3) reclamation surety in the amount of \$1,482,300. Beth Ericksen (801) 538-5318 is available to assist you in completing the Reclamation Contract and surety.

A disturbed area (bonded area) map clearly delineating where all mining activities will be conducted including the existing disturbance, proposed disturbance and roads connecting all of these areas must be provided for the Reclamation Contract. To expedite these delineations please contact the Division for assistance.



Page 2 Mr. Mark Dotson M/001/067 September 22, 2005

Please be advised that you are not authorized to expand your existing footprint until you have received final written approval from this office and from the BLM. If you have any questions in this regard please contact me or Tom Munson of the Minerals Staff at (801) 538-5258 or 538-5321, respectively. Thank you for your cooperation and patience in completing this permitting process.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

2. Haddock

SMW:TM:jb

c: Ed Ginouves, BLM, Cedar City

Mary Ann Wright, Assoc Director, DOGM

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